



DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services

Administrator

Washington, DC 20201

MAR - 7 2002

Mr. Herbert H. Weldon, Jr.
Senior Deputy Director for Health Care Finance
Medical Assistance Administration
825 North Capitol Street, NE
Washington, DC 20002

Dear Mr. Weldon:

We are pleased to inform you that your demonstration, entitled "Childless Adults Aged 50-64," has been approved as project number 11-W-00139/3. This award is effective as of the date of this letter. Approval is granted under the authority of section 1115 of the Social Security Act (the Act).

Enclosed are the special terms and conditions (STCs) that define the nature, character, and extent of anticipated Federal involvement in the project. This award is subject to our receiving your written acceptance of the award and STCs within 30 days of the date of this letter.

All requirements of the Medicaid program expressed in law, regulation, and policy statements, not expressly waived or identified as not applicable in this letter, shall apply to the "Childless Adults Aged 50-64" demonstration. The freedom of choice provision of section 1902(a)(23) of the Act is not applicable to the demonstration expansion population, therefore, the District may restrict freedom-of-choice of provider for the demonstration population.

The following waiver is approved for a 5-year period to be effective on the date of implementation:

Disproportionate Share Hospital
(DSH) Payments

Section 1902(a)(13)(A) insofar
as it incorporates 1923(c)(1)

To allow the diversion of a portion of DSH payments made to hospitals to cover the demonstration population.

Under authority of section 1115(a)(2) of the Act, expenditures made by the District of Columbia under the demonstration for the population identified below (which are not otherwise included as expenditures under section 1903) shall, for the period of this demonstration, be regarded as expenditures under the District's title XIX plan.

1. Expenditures made by the District of Columbia for extending health insurance coverage to the following eligibility group: Non-disabled adults, who are not custodial adults or resident caretakers of children under the age of 19 (i.e., childless adults), between 50 and 64 years of age, with an income that is at or below 50 percent of the Federal Poverty Level (FPL).

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Your project officer is Ms. Pamela Forton, who may be contacted at (410) 786-1410 or via email at PForton@cms.hhs.gov. Communications regarding program and administrative matters should be submitted to the project officer at the following address:

Centers for Medicare & Medicaid Services
Center for Medicaid and State Operations
Family and Children's Health Programs Group
Division of Integrated Health Services
7500 Security Boulevard, Mailstop S2-01-16
Baltimore, MD 21244

We extend our congratulations to you on this award, and look forward to working with you during the course of the demonstration.

Sincerely,

Thomas A. Scully

Enclosure